



# Prior Authorization: AMA Perspective

**ONC HITAC Hearing  
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# Overview

- **Setting the Stage With Data**
  - 2018 AMA Prior Authorization (PA) Physician Survey
- **The Human Face of PA**
  - AMA grassroots campaign and stories
- **PA Reform Initiatives**
  - Prior Authorization and Utilization Management Reform Principles
  - Consensus Statement on Improving the Prior Authorization Process
- **Measuring Progress**
  - So . . . how are we doing?

A person wearing a white lab coat is shown from the back, holding a tablet. The tablet screen displays a data visualization, possibly a map or a scatter plot with various colored markers. The person's right hand is pointing at the screen. The background is a blurred outdoor setting with a brick or stone pattern. The overall image has a blue and purple color cast.

# Setting the Stage With Data: AMA PA Physician Survey Results

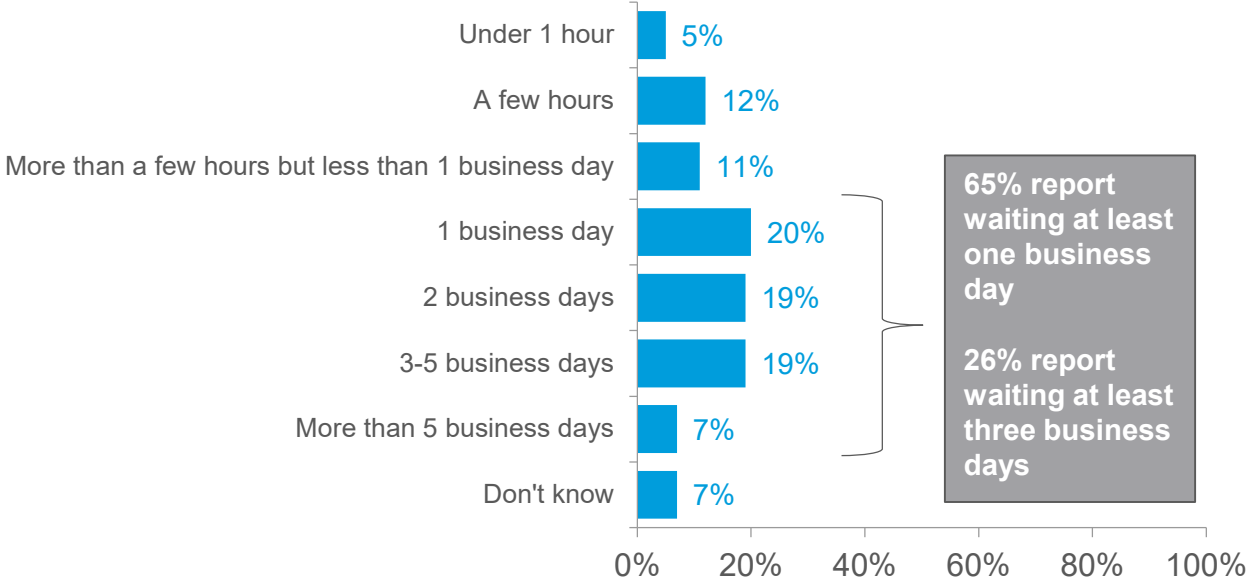
# 2018 AMA PA Survey Overview

- 1000 practicing physician respondents
- 40% PCPs/60% specialists
- Web-based survey
- 29 questions
- Fielded in December 2018



# Average PA Response Wait Time

Question: In the last week, how long on average did you and your staff need to wait for a PA decision from health plans?

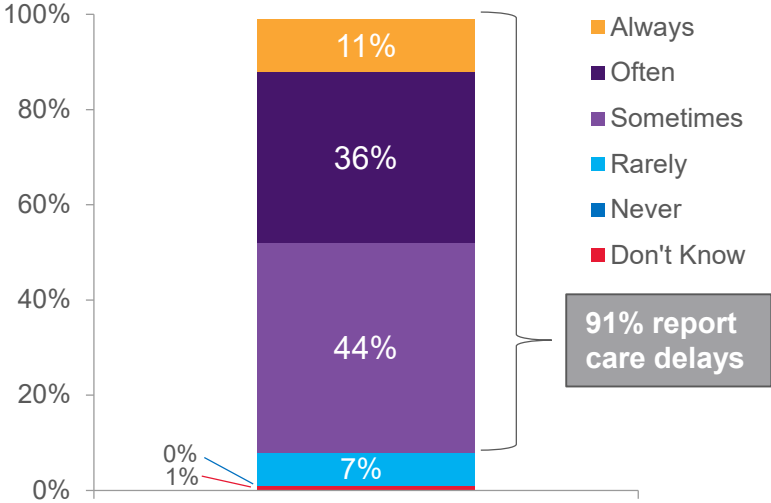


Source: 2018 AMA Prior Authorization Physician Survey



# Care Delays Associated With PA

Question: For those patients whose treatment requires PA, how often does this process delay access to necessary care?



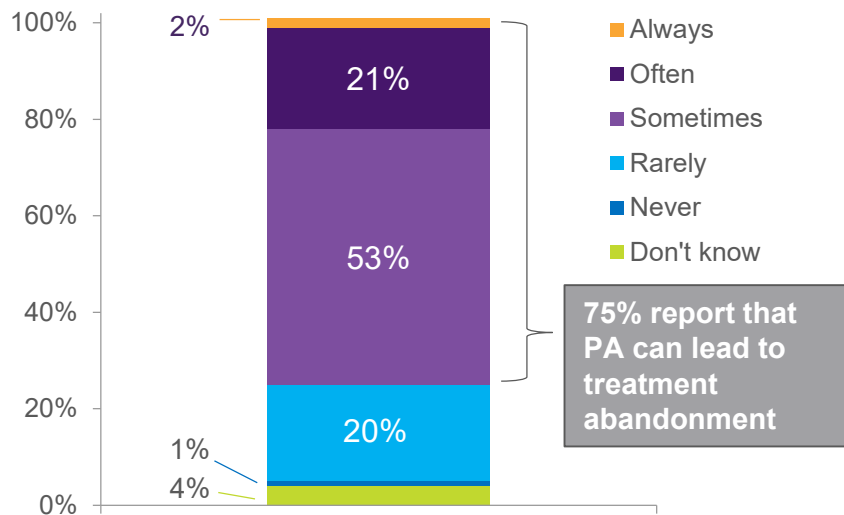
Source: 2018 AMA Prior Authorization Physician Survey

Total does not equal 100% due to rounding.



# Treatment Abandonment Associated With PA

Question: How often do issues related to the PA process lead to patients abandoning their recommended course of treatment?

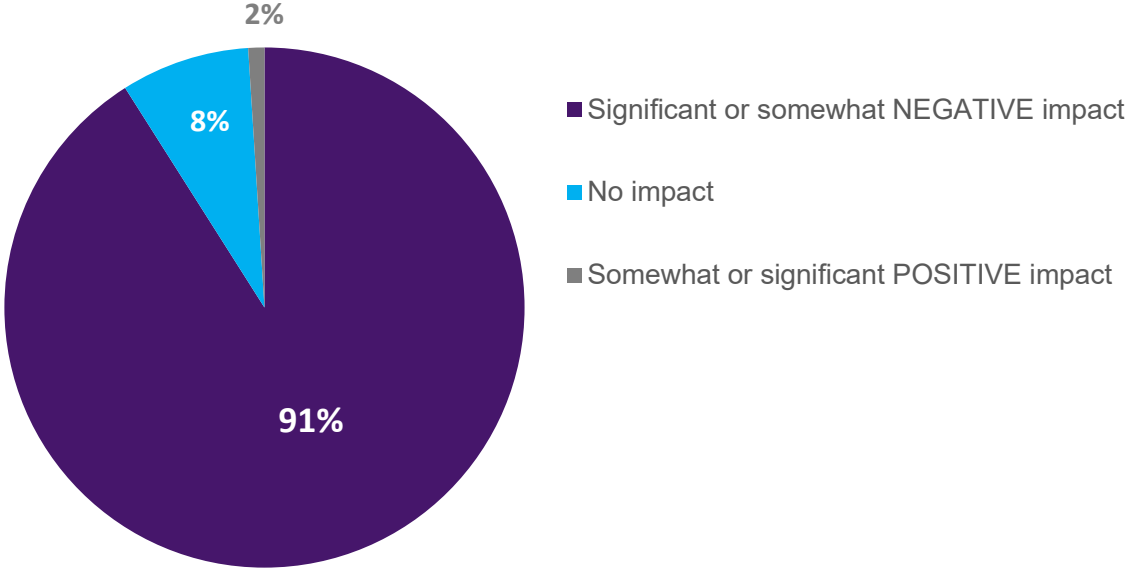


Source: 2018 AMA Prior Authorization Physician Survey

Total does not equal 100% due to rounding.  
Subtotal sums to 75% due to rounding.

# Impact of PA on Clinical Outcomes

Question: For those patients whose treatment requires PA, what is your perception of the overall impact of this process on patient clinical outcomes?



Source: 2018 AMA Prior Authorization Physician Survey

Total does not equal 100% due to rounding.



## Serious Adverse Events Attributed to PA

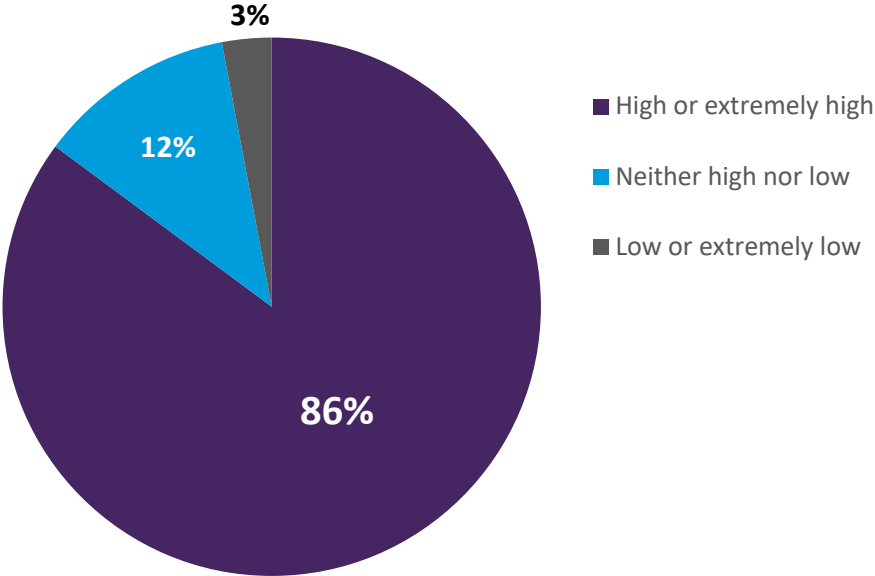
Question: In your experience, has the PA process ever affected care delivery and led to a serious adverse event (e.g., death, hospitalization, disability/permanent bodily damage, or other life-threatening event) for a patient in your care?



**28% of physicians report that PA has led to a serious adverse event for a patient in their care**

# Physician Perspective on PA Burdens

Question: How would you describe the burden associated with PA in your practice?



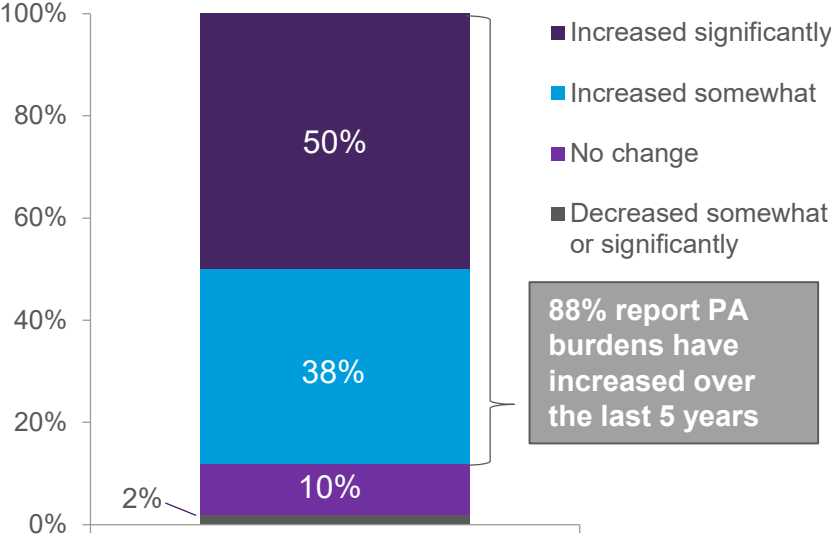
Source: 2018 AMA Prior Authorization Physician Survey

Total does not equal 100% due to rounding.



# Change in PA Burden Over the Last 5 Years

Question: How has the burden associated with PA changed over the last five years in your practice?



Source: 2018 AMA Prior Authorization Physician Survey



# Additional PA Practice Burden Findings

- **Volume**

- **31 average total PAs** per physician per week



- **Time**

- Average of **14.9 hours (approximately two business days)** spent each week by the physician/staff to complete this PA workload



- **Practice resources**

- **36%** of physicians have staff who work exclusively on PA



Source: 2018 AMA Prior Authorization Physician Survey

A photograph of three healthcare professionals, two women and one man, all wearing white lab coats and stethoscopes. They are gathered around a tablet computer, looking at the screen with focused expressions. The woman on the left is holding a clipboard. The background is a blurred clinical setting. The entire image has a purple and blue color overlay.

# The Human Face of PA: AMA Grassroots Campaign and Stories

# AMA grassroots website: FixPriorAuth.org

Prior authorization hurts patients and physicians. It's time to **#FixPriorAuth.**

Click below to discover how prior authorization affects you.



I am a patient



I am a physician

- Physician and patient tracks
- Social media campaign drives site traffic and conversation
- Call to action: Share your story
- Most impactful stories collected in site gallery

"My daughter had ALS. Her doctor ordered a PET scan of her brain. The appointment was set, medical transportation was set, co-pay paid. The day before the test the hospital called to say the prior authorization had not been received. My daughter passed away the day before we were supposed to go for the rescheduled test." - Kathy M.

"Really, my doctor wanted me to do hormone shots with my chemo but [the insurer] refused, so we had to go on a hormone pill instead. Took 3 weeks to get my chemo pill approved... the shots probably would have been more potent." - Dawn C.

"I need prior auth for my continuous glucose monitor every time I get sensors for it - this device alone has saved my life more times than I can count, yet the insurer thinks it isn't a necessity!" - @KronikerD

# YOUR PRIOR AUTHORIZATION STORIES MATTER

"I work with a surgeon, treating breast cancer patients as the majority of our patients. I recently spent over 10 hours trying to get a patient's surgery authorized." - Kathy D.

"I have a patient with a crush injury to his foot who waited 2 months for appropriate imaging studies and then SIX months for approval to operate. Tell me our system is the best. Please. I have many examples. Everyday." - Dr. Vito R.

[FixPriorAuth.org](http://FixPriorAuth.org)

"I am an ED RN. I frequently see patients who have seen their family doctor and have a CT ordered. The insurance company hasn't authorized them yet so they come to the ED to get a CT...so they can get the test in a timely manner." - Beverly Kay W.

"I have had to make multiple calls and wait as long as 2 weeks trying to obtain authorization for an MRI when there were abnormal mammogram or pelvic sonogram findings. The patients become increasingly anxious about their condition and sometimes angry at me because they think I'm either withholding care or not concerned about their needs." - Dr. Nina S.

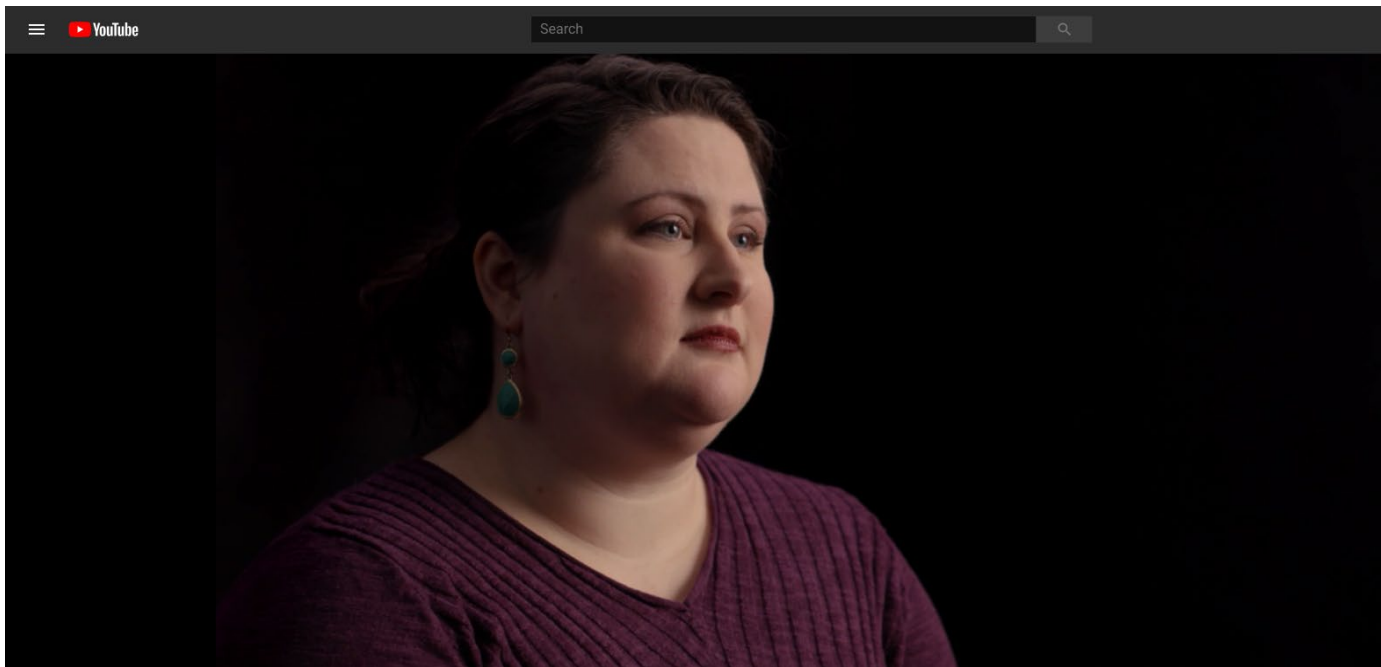
"The insurance company would not cover the prescription until I tried three other medications...48 weeks of trying medications we already knew would not work, before I could hope to get the medication we already knew did work...Without an effective treatment, I am at increased risk of several problems, including esophageal cancer." - Lyle S.



“I have often thought, in retrospect, after my son passed away, if the scans had been done on time, maybe it would have been caught sooner. Possibly, it could have saved his life.”

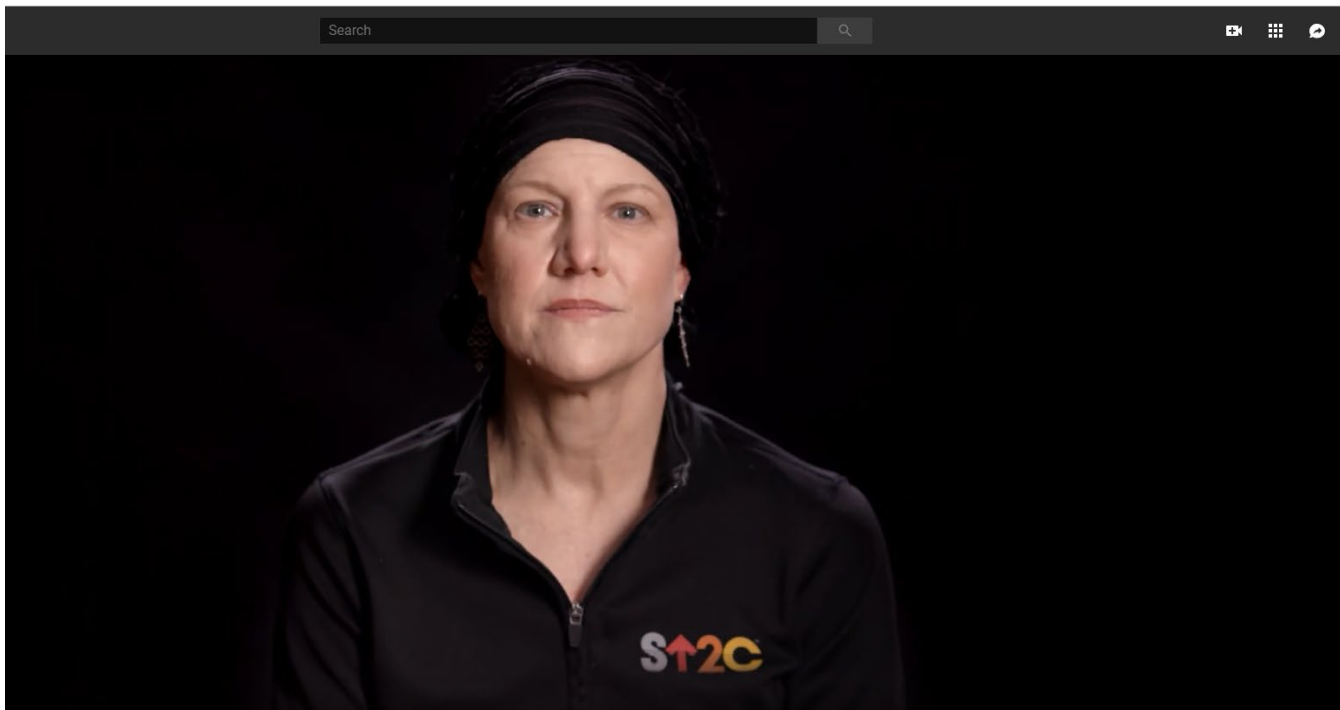
- Linda Haller, Maryland





“About three years ago, my husband changed jobs and insurances...I was already on medicine and had to wait for my refill. But I couldn’t get them without the prior authorization process...I missed doses... I felt like everything broke down.”

- Candace Myers, Georgia



“If I had to wait until the insurance company actually gave their approval, I may have been in a position where any oncologist would have said, ‘No, there’s nothing we can do for you now.’”

- Kathryn Johannesson, Connecticut



# PA Reform Initiatives: Principles and Consensus Statement

# Prior Authorization and Utilization Management Reform Principles

- Released in **January 2017** by coalition of AMA and 16 other organizations
- Underlying assumption: utilization management will continue to be used for the foreseeable future
- Sound, common-sense concepts
- 21 principles grouped in 5 broad categories:
  - Clinical validity
  - Continuity of care
  - Transparency and fairness
  - Timely access and administrative efficiency
  - Alternatives and exemptions

**American Medical Association**  
**American Academy of Child and Adolescent Psychiatry**  
**American Academy of Dermatology**  
**American Academy of Family Physicians**  
**American College of Cardiology**  
**American College of Rheumatology**  
**American Hospital Association**  
**American Pharmaceutical Association**  
**American Society of Clinical Oncology**  
**Aflac Foundation**  
**Colorado Medical Society**  
**Medical Group Management Association**  
**Medical Society of the State of New York**  
**Minnesota Medical Association**  
**North Carolina Medical Society**  
**Ohio State Medical Association**  
**Washington State Medical Association**

### Prior Authorization and Utilization Management Reform Principles

Patient-centered care has emerged as a major common goal across the health care industry. By empowering patients to play an active role in their care and assume a pivotal role in developing an individualized treatment plan to meet their health care needs, this care model can increase patients' satisfaction with provided services and ultimately improve treatment quality and outcomes.

Yet despite these clear advantages to adopting patient-centered care, health care providers and patients often face significant obstacles in putting this concept into practice. Utilization management programs, such as prior authorization and step therapy, can create significant barriers for patients by delaying the start or continuation of necessary treatment and negatively affecting patient health outcomes. The very transient, time-consuming processes used in these programs burden providers (physician practices, pharmacies and hospitals) and divert valuable resources away from direct patient care. However, health plans and benefit managers contend that utilization management programs are employed to control costs and ensure appropriate treatment.

Recognizing the investment that the health insurance industry will continue to place in these programs, a multi-stakeholder group representing patients, physicians, hospitals and pharmaceuticals (see organizations listed in left column) has developed the following principles on utilization management programs to reduce the negative impact they have on patients, providers and the health care system. This group also urges health plans, benefit managers and any other party conducting utilization management ("utilization review entities"), as well as accreditation organizations, to apply the following principles to utilization management programs for both medical and pharmacy benefits. We believe adherence to these principles will ensure that patients have timely access to treatment and reduce administrative costs to the health care system.

Link to Principles: <https://www.ama-assn.org/sites/ama-assn.org/files/corp/media-browser/principles-with-signatory-page-for-sllsc.pdf>

# Consensus Statement on Improving the Prior Authorization Process

- Released in **January 2018** by the AMA, American Hospital Association, America's Health Insurance Plans, American Pharmacists Association, Blue Cross Blue Shield Association, and Medical Group Management Association
- Five “buckets” addressed:
  - Selective application of PA
  - PA program review and volume adjustment
  - Transparency and communication regarding PA
  - Continuity of patient care
  - Automation to improve transparency and efficiency
- GOAL:** Promote safe, timely, and affordable access to evidence-based care for patients; enhance efficiency; and reduce administrative burdens

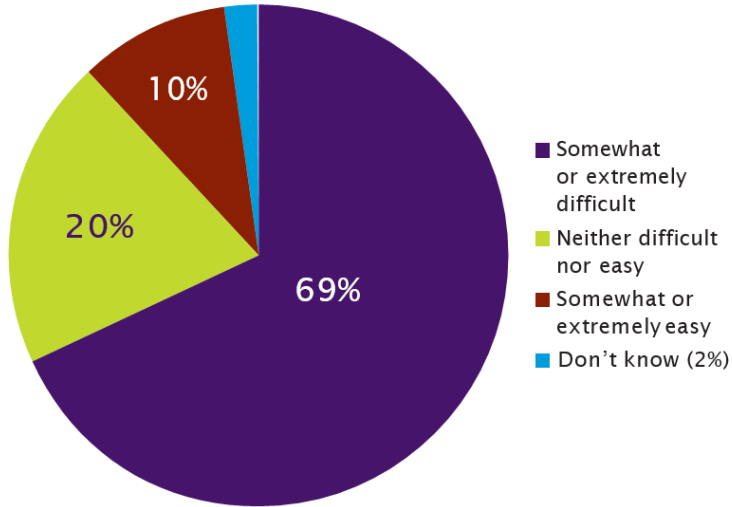


Link to Consensus Statement: <https://www.ama-assn.org/sites/ama-assn.org/files/corp/media-browser/public/arc-public/prior-authorization-consensus-statement.pdf>

A healthcare professional, likely a nurse or doctor, is shown from the chest down, wearing blue scrubs and a stethoscope. They are holding a tablet computer with both hands, looking at the screen. The background is a clinical setting with a desk and a laptop. The entire image has a purple tint.

# Measuring Progress: So . . . How Are We Doing?

# Transparency and Communication Regarding PA



Total does not sum to 100% due to rounding.

Q: How difficult is it for you and/or your staff to determine whether a prescription medication or medical service requires prior authorization?

- Almost seven in 10 (**69%**) physicians report that it is difficult to determine whether a prescription or medical service requires PA.

Source: 2018 AMA Prior Authorization Physician Survey

# Automation to Improve Transparency and Efficiency

- Physicians report **phone and fax** as the most commonly used methods for completing PAs. Moreover, only **21%** of physicians report that their EHR\* system offers electronic PA for prescription medications.

Method	Prescription PAs (% use always or often)	Medical service PAs (% use always or often)
Phone	60%	61%
Fax	46%	47%
EHR/PMS*	40%	23%
Plan portal	31%	27%
Email or U.S. mail	15%	17%

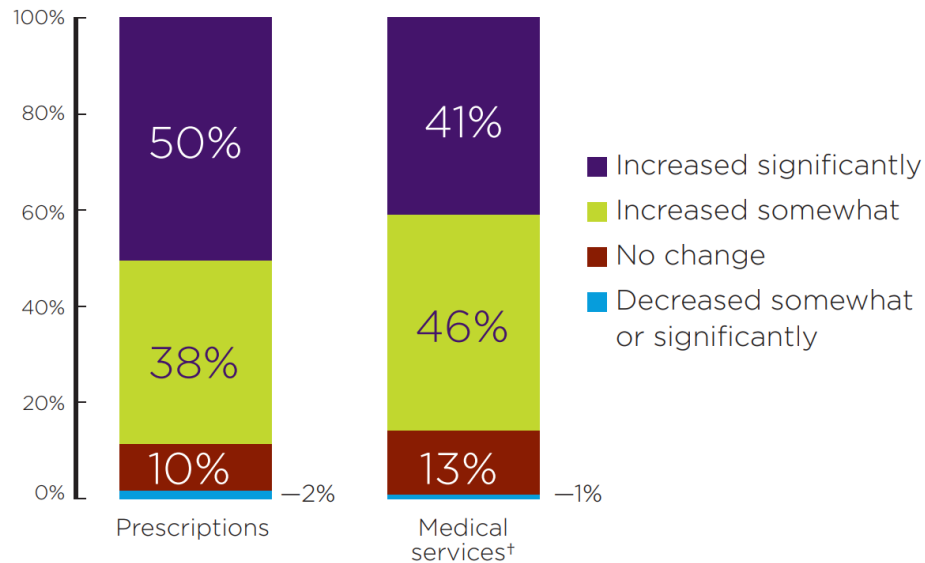
Q: Please indicate how often you and/or your staff use each of the following methods to complete PAs for prescription medications/medical services.

\*EHR = electronic health record; PMS = practice management system.  
Source: 2018 AMA Prior Authorization Physician Survey



# PA Program Review and Volume Adjustment

- A strong majority (**88% and 86%,\*** respectively) of physicians report that the number of PAs required for prescription medications and medical services has increased over the last five years.



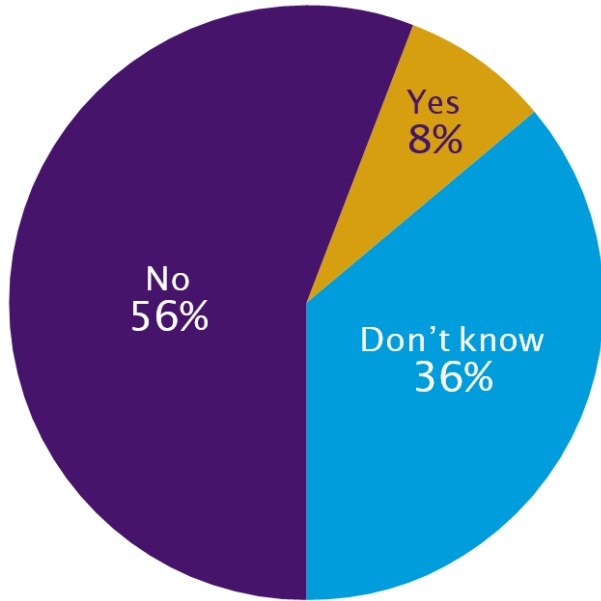
\* Subtotal sums to 86% due to rounding.

† Total does not sum to 100% due to rounding.

Q: How has the number of PAs required for prescription medications/medical services used in your patients' treatment changed over the last five years?

Source: 2018 AMA Prior Authorization Physician Survey

# Selective Application of PA



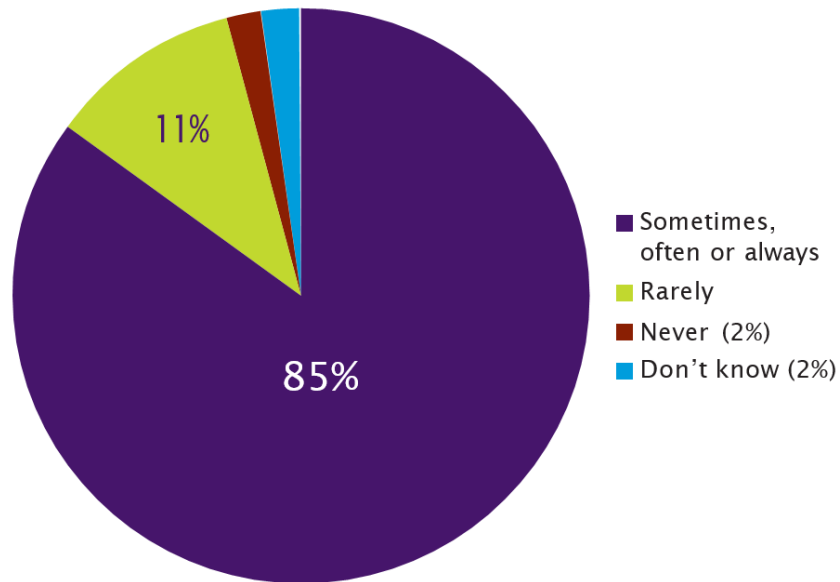
Q: Do any of the health plans with which you contract offer programs that exempt physicians from PA requirements?

- Only 8% of physicians report contracting with health plans that offer programs that exempt providers from PA.

Source: 2018 AMA Prior Authorization Physician Survey

# Continuity of Patient Care

- An overwhelming majority (85%) of physicians report that PA interferes with continuity of care.



Q: How often does the prior authorization process interfere with the continuity of ongoing care (e.g. missed doses, interruptions in chronic treatment)?

Source: 2018 AMA Prior Authorization Physician Survey

# Contact Us

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- Access our resources at:  
[www.ama-assn.org/prior-auth](http://www.ama-assn.org/prior-auth)  
<https://fixpriorauth.org/>



